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ILLINOIS POWER COMPANY)
)
Petition For Authority to Place)
Into Effect Certain Revised Tariff)
Sheets On Less Than 45 Days)
Notice Pursuant to Section 9-201)
Of The Public Utilities Act)

CHIEF CLERK'S OFFICE

Docket 04-0497

VERIFIED PETITION

Illinois Power Company ("Illinois Power" or "Company") hereby petitions the Illinois Commerce Commission ("Commission") for authority to place into effect certain tariff sheets in its Ill. C. C. No. 32, Schedule of Rates for Gas Service, which are included in Exhibit A to this Petition, on less than 45 days notice, to be effective on or before August 31, 2004, pursuant to § 9-201 of the Public Utilities Act ("Act"), for the purpose of modifying the Base Price provisions of Service Classification ("SC") 76, Transportation of Customer-Owned Gas with Best Efforts Backup, and Rider OT, Optional Transportation of Customer-Owned Gas with Firm Utility Gas Supply Backup.

In support of its Petition, Illinois Power states as follows:

1. Illinois Power is an Illinois corporation engaged, among other things, with full corporate authority to do so, in the transmission and distribution of gas to the public in the State of Illinois. Illinois Power is a "public utility" as that term is defined in § 3-105 of the Act and, as such, is subject to the jurisdiction of the Commission.
2. Section 4(n) of SC 76 pertains to billing period imbalances in which subsection (2) specifies the three components of the Base Price that

Illinois Power is to use to cash out imbalances under SC 76. Platt's, the publisher of Gas Daily, has announced that, as of August 1, 2004, it will no longer publish a value for one of such Base Price components, the "MRT Mainline". SC 76 does not provide for an alternative price point in the absence of this publication.

3. Section 4(f) of Rider OT also pertains to billing period imbalances in which subsection (2) specifies the three components of the Base Price that Illinois Power is to use to cash out imbalances under Rider OT. Like SC 76, Rider OT does not provide for a replacement price point should one of the stated price components cease to be published.
4. Therefore, the Company is submitting this filing (1) to specify a different price point for MRTC in SC 76 and (2) to provide for replacement price points in the absence of future publications in both SC 76 and Rider OT.
5. For the SC 76 Base Price provision, Illinois Power proposes a replacement price point for MRTC that is published by Natural Gas Intelligence. In addition, Illinois Power proposes additional language that will allow the use of substantially similar pricing points from alternate publications in the event any of the current pricing points or publications become unavailable. More specifically, the Company proposes the following revisions to the definition of MRTC in Section 4(n)(2) of SC 76:

MRTC: The average of the daily prices reported during the billing period for "~~MRT mainline~~" in the "~~Daily Price Survey~~" of ~~Gas Daily~~ "~~Mississippi River Transmission~~" in the "~~Daily Gas Price Index~~" of ~~Natural Gas Intelligence~~ or in the absence of such publication, the price for the closest reasonably comparable point published in an alternate publication.

Illinois Power also proposes to add the following verbiage at the end of the definitions for both PEPL and NGPL in Section 4(n)(2) of SC 76:

or in the absence of such publication, the price for the closest reasonably comparable point published in an alternate publication.

In addition, Illinois Power proposes to add the following language to Section 4(n)(2) of SC 76:

In the event that any of the above-referenced publications change or are no longer available, Utility will make an information filing with the Commission to specify the new publication(s) to be used.

All of the above tariff language modifications are reflected in proposed SC 76 which is shown in page 1 of Exhibit A attached hereto.

6. For the Base Price provision in Rider OT, Illinois Power also proposes additional language that will allow the use of substantially similar pricing points from alternate publications in the event any of the current pricing points or publications become unavailable. More specifically, the Company proposes to add the following verbiage at the end of each of the definitions for PEPL, NGPL and MRTC in Section 4(f)(2) of Rider OT:

or in the absence of such publication, the price for the closest reasonably comparable point published in an alternate publication.

In addition, Illinois Power proposes to add the following language to Section 4(f)(2) of Rider OT:

In the event that any of the above-referenced publications change or are no longer available, Utility will make an information filing with the Commission to specify the new publication(s) to be used.

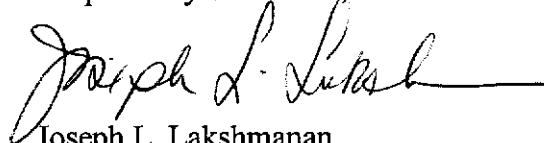
The above tariff language additions are reflected in proposed Rider OT which is shown in page 2 of Exhibit A attached hereto.

7. The updated SC 76 pricing point will be necessary for cash out calculations following the end of the August billing period. Therefore, the Company requests an effective date on or before August 31, 2004. To support an effective date of August 31, 2004, and the filing of compliance tariffs, Illinois Power requests that the Petition be approved no later than August 27, 2004.
8. Illinois Power anticipates that these SC 76 and Rider OT revisions, upon regulatory approval, will be in effect for a relatively short period of time given that the Company has also proposed changes to these same tariffs in ICC Docket 04-0476, proposed general increase in gas rates. Illinois Power's gas rate case was filed on June 25, 2004 and suspended on July 21, 2004, and therefore, pursuant to Section 9-201(b), a Commission Order should be issued on or before May 21, 2005. In the Company's pending gas rate case, Illinois Power proposes to use the Chicago citygate index price as the basis for cashout instead of the existing formula. Consistent with this Petition, however, Illinois Power proposes in its gas rate case to include similar language in the definition of Chicago citygate price that will allow the use of a substantially similar pricing point from an alternate publication in the event that pricing point or publication becomes unavailable.

9. The Commission may lawfully allow the revised tariff sheets to go into effect on less than 45 days notice, without hearing.
10. Section 9-201 of the Act requires a showing of good cause before a tariff may be put into effect on less than 45 days notice. For the reasons set forth in paragraphs 2 through 4, 7 and 8 of this Petition, good cause exists to put the tariff sheets in Exhibit A to the Petition into effect on less than 45 days notice.

WHEREFORE, Illinois Power Company requests that this Commission enter an order authorizing Illinois Power to place into effect the tariff sheets which are included in Exhibit A hereto, on less than 45 days notice, to be effective on August 31, 2004, pursuant to the provisions of § 9-201 of the Public Utilities Act and 83 Illinois Administrative Code Part 255.

Respectfully Submitted,



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Date: August 2, 2004

STATE OF ILLINOIS)
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COUNTY OF MACON) SS

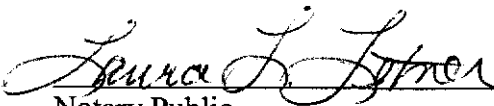
VERIFICATION

Brian W. Blackburn, states that he is Manager Retail Energy Supply and Large Accounts for Illinois Power Company, the Petitioner herein, that he is authorized to make this verification on behalf of Petitioner; that he has read the foregoing Petition and is familiar with its contents; and that the matters set forth in the foregoing Petition are true and correct to the best of his knowledge, information and belief.



Brian W. Blackburn

Subscribed and sworn to before me
this 2nd day of August 2004.



Notary Public

